

OECS/Telecommunications Liberalization Programme

Impact Assessment: ECTEL States

**USAID/CARANA
ECICT Project**

January 2004



1.0 Introduction

This paper seeks to provide an impact assessment of the telecommunications liberalization process in the Participating States of the Eastern Caribbean Telecommunications Authority (ECTEL). The Telecommunications Reform Project, financed by the World Bank was launched in 1998 and aimed to liberalize the sector and to bring about open entry, improved services and lower prices of telecommunication services. The USAID sponsored project, ECICT, executed by CARANA was launched in 2001 and aimed to consolidate the liberalization process through capacity building and institutional strengthening of the regulatory regime.

1.1 Scope

The OECS is regarded as a single economic and financial space governed by an Authority comprising the Heads of States. The members have established several subsidiary bodies to promote the growth and economic development of each State and the Union as a whole.

The Treaty Establishing ECTEL has been established within the framework of the Organisation of Eastern Caribbean States (OECS). Five of the nine countries, which are members of the OECS, are parties to the ECTEL Treaty. The ECTEL participating states are Dominica, Grenada, St. Kitts and Nevis, St. Lucia and St. Vincent and the Grenadines. Discussions are currently underway to have the other members of the OECS, namely Anguilla, Antigua and Barbuda, Montserrat and the British Virgin Islands accede to the Treaty and the associated regulatory framework for telecommunication services.

1.2 Liberalization Programme

In 1998, the Telecommunications Sector in the region was characterized by the following:-

- ❖ Monopoly control
- ❖ High costs of services
- ❖ Low quality of services
- ❖ Limited access to technology and telecommunications infrastructure
- ❖ Shortage of trained personnel

As a consequence the telecommunications liberalization programme in the ECTEL Participating States was expected to achieve the following:

- ❖ Open entry and competition in the telecommunications sector;
- ❖ Universal service to ensure the widest possible access to telecommunications services and products at affordable rates, and to enable the freedom to communicate over an efficient and modern telecommunications network;

- ❖ Fair pricing and the use of cost-based pricing methods by telecommunications providers;
- ❖ The introduction of advanced telecommunications technologies and an increased range of services;
- ❖ Fair competition practices by discouraging anti-competitive practices by telecommunications providers; and
- ❖ Increased penetration of usage of telecommunications services;

The incumbent telecommunications operator in the region Cable and Wireless held exclusive telecommunications licenses in the ECTEL Participating States. The exclusive arrangements gave Cable and Wireless the sole or monopoly rights to provide telecommunications services. The period of exclusivity were as follows:-

St. Lucia	2000
St. Vincent	2004
Grenada	2013
Dominica	2020
St. Kitts and Nevis	2024

The reform agenda included a series of negotiations with Cable and Wireless to terminate the exclusivity. Key components of the negotiations were the phenomenon of rate rebalancing, the issue of pace and timing of liberalization and the nature of the new regulatory regime. St. Lucia provided the impetus to initiate joint action to have the exclusivity terminated at the same time in all five ECTEL States, since the exclusive arrangement was due to be terminated in 2000. To this end in 1999 a common Telecommunications Policy was determined for the ECTEL Participating States.

2.0 Economic Performance

The OECS sub-region consists of six small independent countries and three British dependencies. In year 2001 the combined population of the sub-region was slightly less than 600 thousand million inhabitants. The population has been growing by less than 1 percent annually for the period 1996 to 2001. The population ranges from 157,775 in St. Lucia to 4,488 in Montserrat.¹

The combined economies of the sub-region contracted in 2001. Real gross domestic product fell by 1.5 percent in 2001. Real output contracted in all major sectors including agriculture, manufacturing, tourism, construction, transport, wholesale and retail trade and communications.

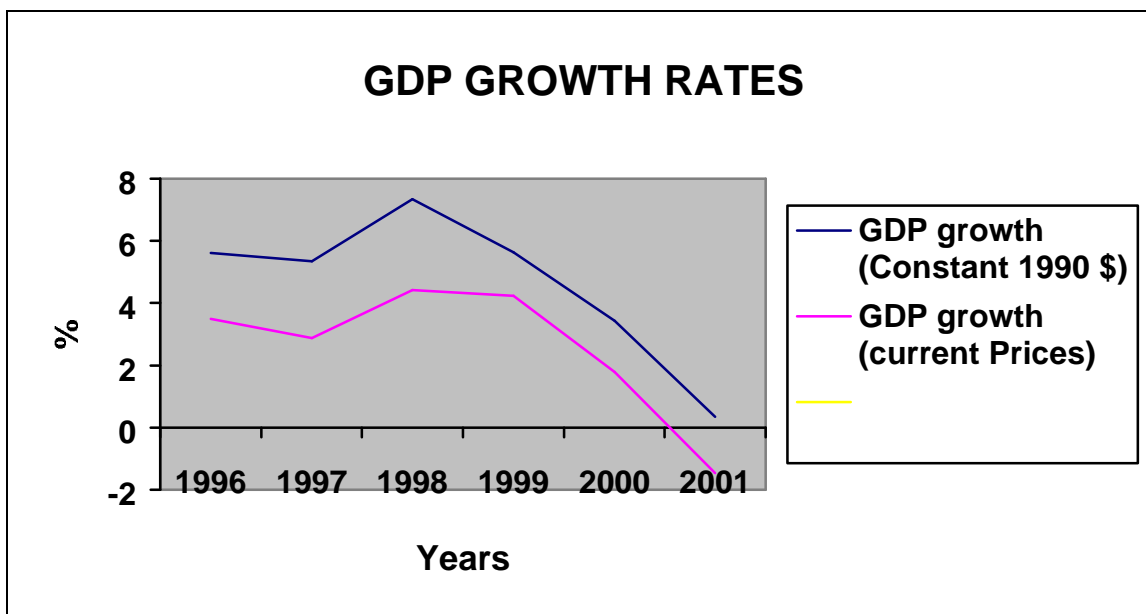
Table 1 below shows the percentage change in GDP for the region in constant 1990 prices and in current prices for the period 2000 to 2001.

¹ ECCB National Accounts 2002

TABLE 1
GDP GROWTH RATE 2001

Country	Constant Prices	Current Prices
Anguilla	1.33	2.08
Antigua	2.28	3.78
Dominica	- 4.27	-2.40
Grenada	- 4.70	-2.05
Montserrat	- 7.70	-0.22
St. Kitts	2.19	4.08
St. Lucia	- 5.51	-4.19
St. Vincent	1.23	3.87

It is significant to note that three of the five ECTEL participating states achieved negative growth rates in 2001. Montserrat² has been negatively affected by the volcanic eruption, but in the main, the factors which contributed to the weak economic performance of the region included the slowdown in the global economy compounded by the events of September 11, 2001 and the international political economy, increasing competition in tourism, manufacturing and agriculture and the destruction of the financial services sector. Figure 1 shows the GDP growth rate throughout the ECCU in both constant 1990 prices and current prices for the period 1996 to 2001. The chart illustrates that except for a slight increase between 1997 and 1998, the economies of the sub-region have experienced steady reductions in the rates of growth.

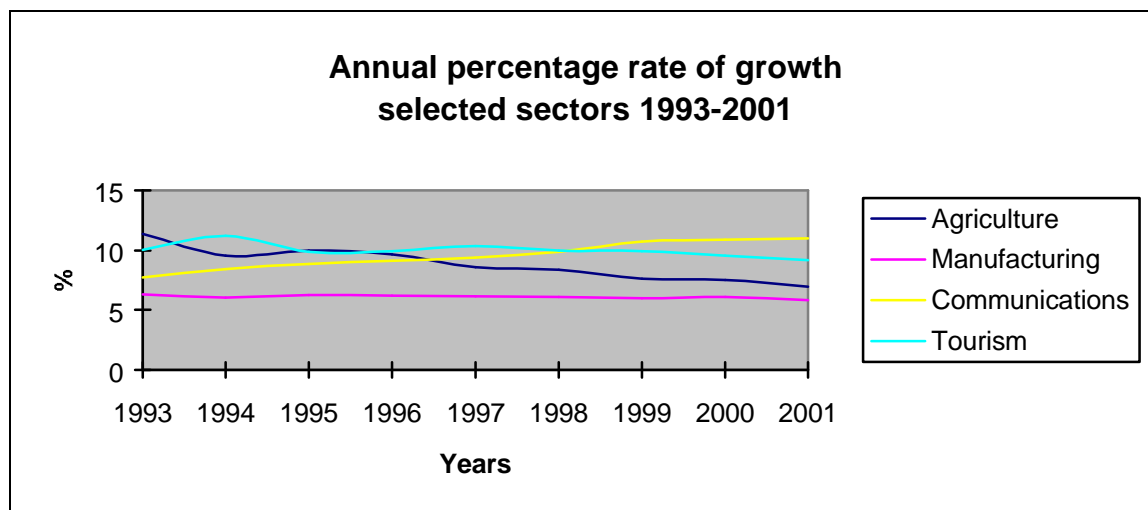


² Montserrat Soufriere volcano was very active. There were several eruptions from 1995 to 2001. A major eruption in 2001 destroyed more than 50% of the country.

The global economic slowdown began in 2000 and was exacerbated in 2001 by the attacks on the USA, the regions most important trading partner. World economic output increased by approximately 2 percent in 2001 compared with 4.7 percent the previous year based on estimates provided by the International Monetary Fund. The economic slowdown was also prevalent in the Caribbean area as a whole.

Traditionally, the economies of the sub-region were mainly agricultural based, variously specializing in bananas, sugar, citrus or spices. In recent times, however, there has been a shift away from agriculture towards the services sector, in particular tourism, financial services and information technology. This shift has been accelerated by unfavorable weather, crop infestation and particularly the removal of trading preference on agricultural produce by the region's major international trading partners.

The region's vulnerability to external shocks was also exposed in the area of financial services. One manifestation of these shocks was the complete obliteration of the Offshore Finance Sector following a declaration by the OECD that the countries of the region that promoted the development of the offshore industry were either engaged in harmful tax practices or were not doing enough to stem criminal activities in the sector. The declaration was compounded by a Financial Action Task Force (FATF) blacklisting of the countries involved. As a consequence of these developments and coupled with occasional natural disasters there was a dearth of investment capital in the region and the agricultural, manufacturing and transport sectors went into further decline. In fact, for the period 1993-2001, the data show that the contribution of the traditional sectors to GDP has settled into a pattern of constant decline whereas the communication sub-sector's contribution to GDP has increased steadily. Figure 2 illustrates this situation.



In recognition however of the prevailing structural weaknesses in the economies of the OECS and to ensure that the region is placed on a path of sustainable growth, the OECS has outlined a Regional Development Strategy. Within this strategy is a programme area called Sustainable Economic Development, which has as its goal making the OECS economies more resilient, diversified, competitive and knowledge based. It is in this context that the telecommunication sector has been targeted. The intention is to increase the competitiveness of the sector and its contribution to the economies of the OECS. The region fully recognises that the high costs of telecommunication services serve as a hindrance to development. In response, the countries have embarked on a process of telecommunications reform which includes sector liberalization, regulatory policy and tariff reform, revision of the fiscal incentives provided to telecom providers, and enacting modern legalisation.

3.0 Discussion

As illustrated above, telecommunications contributes a sizeable portion of National Income in both percentage and absolute terms throughout the OECS countries and even more so in the ECTEL Participating States.

There is a strong correlation between the performance of the economies, as measured by growth in GDP, and the performance of the telecommunications sector.

Telecommunications has been recognized as an essential catalyst for growth. According to an ITU study on telecommunications and development, it was noted that “telecommunications can increase the efficiency of economic, commercial and administrative activities, improve the effectiveness of social and emergency services and distribute the social, cultural and economic benefits of the process of development more equitably throughout the country.”

Most studies have documented a strong correlation between Gross Domestic Product (GDP) and telecommunications investment. Further it was shown that growth in telecommunications investment is a statistically significant predictor of economic growth and vice-versa. Thus, telecommunications is considered to be both a cause and a consequence of economic growth. However, some economies felt that even with a strong correlation between telecommunications investment and GDP, telecommunication investment alone is not sufficient to ensure economic growth. Nevertheless, lack of telecommunication investment can significantly constrain economic development.

4.0 Impact of Liberalization

4.1 Significant Milestones

November 1998	Harmonization Telecommunications Policy established
October 1998	Launch of OECS Telecommunications Reform Project

January 1999	Commencement of negotiations with Cable and wireless
May 2000	ECTEL Treaty signed
June 2000	First New Telecommunications Act gazetted in St. Kitts
January 2001	First NTRC established
April 2001	Agreement termination monopoly rights signed
May 2001	Agreement on rate determination process signed
June 2002	ECTEL Secretariat Official launch
June 2001	New licenses granted to Cable and Wireless
June 2002	New regulations established (First set)
June 2002	First new licenses issued to competitors
February 2003	Commencement of litigation by Cable and Wireless
April 2003	First Interconnection Agreement signed
May 2003	Launch of services by first cellular operator
August 2003	First strategic retreat concluded

4.2 Legislation and Regulation

New Telecommunications Acts have been passed in each of the five ECTEL participating States. The Acts provided the legal framework for the liberalization of the telecommunications sector. The Telecommunications Acts rescinded the rights given to Cable and Wireless to be the monopoly provider of telecommunication services in the region. Pursuant to the Act a series of regulations have been enacted in the ECTEL States to cover several arrears including Interconnection, Tariffs, Fees, Licensing, Spectrum Management, Private Networks, Numbering, and Terminal Equipment. Several other regulations have been prepared and are due to be enacted.

The laws and regulations are consistent with regional and international obligations and internationally accepted standards.

4.3 New Entrants Demand

Consequent upon the liberalization of the Telecommunication sector in the ECTEL States, there were over 128 new applications for the varied individual and class licences.

Due to the size of the market it was considered prudent to limit the number of individual licences granted in each country to provide fixed telecommunication services and cellular services. To this end, ECTEL used an administrative procedure to limit the number of licence granted. Nineteen licenses were issued to operators in the five countries.

Cable and Wireless, the incumbent in each country, was granted licences to provide fixed services, mobile services and internet services in all countries. Fourteen new entrants were granted licenses for providing fixed and/or mobile services. The following table provides the status in the ECTEL States with respect to full fixed service and cellular licences granted.

TABLE 2: Status of Individual Licensing – December 2003

Country	Licences Issued
Dominica	C&W, Marpin, SAT Telecom, AT&T, Orange Caraibes,
Grenada	C&W, GNP TWTC, Digicel, AT&T,
St. Kitts/Nevis	C&W, The Cable , Carib Globe
St. Lucia	C&W, Digicel, ATT
St. Vincent	C&W, Digicel, ATT

As required by the Telecommunications Acts, each of the above fixed or mobile licences issued is accompanied by the frequency authorization and the associated spectrum allocation.

In addition to the above a number of class licences have been issued in each country. These class licenses cover a range of services including internet, private networks, value added services, international simple voice resale, amateur radio and terminal equipment.

Further applications for cable landings were considered. One operator (Win 1) was recommended by ECTEL to be issued a cable landing licence in each of the five countries. That operator is yet to commence build out obligations. Cable and Wireless is currently the only operator of submarine cable in the ECTEL States that links the region to the outside world

With respect to broadcast, and other ICT services, there has been a deluge of applications in each of the five countries. Although these licences do not directly relate to the Telecommunications Acts, the use of spectrum falls within the purview and as such is managed by the telecommunications regulatory process.

In sum therefore, consequent on the passage of the legislation liberalizing the telecommunications industry, the region has received a significant number of applications to provide a broad range of services. Several licences were issued and operators are continuously going to market.

The regulatory apparatus will monitor the market with the view to rationalizing the same to the extent that there is a limit on the number of operators that can efficiently operated in the region.

4.4 Employment

As a consequence of the liberalized environment, Cable and Wireless announced a reduction of direct employment in the ECTEL region in the range of 15 to 20 percent. Cable and Wireless has subsequently embarked on a service outsourcing programme. In this regard, former employees of Cable and Wireless sought employment opportunities with new services providers or are organizing themselves to provide telecommunications services to Cable and Wireless, new entrants and the general public. Due to market expansion the overall employment impact was positive for the region. This experience is similar to that of other countries that have liberalized the sector.

The level of direct employment in the sector by the above operators now stands at approximately 1364 persons. This has been reduced from 1615 in 2001 on the onset of the liberalization process mainly due to the outsourcing arrangements by Cable and Wireless. In 2003 Cable and Wireless' staff complement is 889 persons down from 1238 persons in 2001. In 2001, new entrant operators employed 377 persons as against 475 in 2003. The 2003 figure is expected to increase drastically as the new entrants enter the market.

It is estimated that over 500 new jobs were created in the region in the areas of internet services and customer premises equipment services.

In addition, an undetermined number of direct employment opportunities have been created in the other areas.

The projected employment for 2004 is given in Appendix 1

4.5 Investment

Direct investments in the telecommunications sector in the region have been significant over the period 2001 to 2003. With regards to the licenced operators given above EC\$128.66 million was invested in the sector in 2001, followed by EC\$127.65 million in 2002 and EC\$240 million in 2003. In the main these investments flows were from outside the region and financed the new telecommunications infrastructure. A breakdown of the investments flows are shown in Appendix 1.

It is expected that the flow of direct investments will be increased in the medium term as the new entrants enter the market. The projected investment flow for 2004 is EC\$ 285.62

million. Investments with respect to the cable landing licences are expected to commence in 2004 are not included in the projections.

4.6 Prices and Productivity

The liberalized telecommunications market has contributed to improvement in productivity in the region as competitive forces ensure a greater focus on bottom line profits. In addition, development of resident human resources via focused education and training programmes has been a feature of the process and impacted positively on productivity.

There is no evidence that telecommunication liberalization has exacerbated inflation in the sub-region. The negotiated fee structure has been acceptable to the government and the major players on the market. The prices of several telecommunication services were reduced. In fact, significant decreases are seen in the long distance voice market and the cellular market. For example, the average prices for calls from the region to the United States have been reduced by more than 70 percent since the start of the liberalization process. In 2000 a call to the US from the region averaged EC\$ 3.25 per minute compared with EC\$.90 per minute today. There have been increases in the prices of domestic fixed line services in accordance with an agreement signed between Cable and Wireless and the Regional Governments in an attempt at tariff rebalancing. The rates have been standardized across the five countries. The existing rate structure is shown in Appendix 2

It is expected that as the new entrants begin to operate in the market, there will be a significant downward pressure on prices of the various services, which in the main will constitute an overall fall in prices. In addition, it can be expected that prices will be restructured as entrants seek to differentiate themselves from one another and seek to meet the specialized requirements of different user segments.

ECTEL has begun work to institute a price cap regime for regulated services applicable across the ECTEL Participating States.

4.7 Income/Consumption

The relationship between economic growth and growth in telecommunications has been determined earlier. To the extent that telecommunications liberalization in the ECTEL region promotes growth in the telecommunication market it is expected as a consequence that the growth in telecommunication will impact positively on the growth of the economies as a whole. Liberalization has facilitated increases in income and consumption as a consequent of growth in the economies.

There has been a tremendous growth in the number of cellular users in the ECTEL States. There is an estimated 300,000 cellular users in the region at present up from less than 20,000 in 2001. Cellular technology has facilitated communication access throughout the region.

The number of fixed telephone lines per 100 inhabitants has not increased significantly over the period as the cellular option proved to be more popular. Cellular technology has contributed significantly to improving communications access in rural communities and remote villages

The number of internet users has increased significantly and a range of other new services show exponential growth potential. Falling prices for services coupled with increased income translate to greater use of the services. The economic linkages of telecommunications to the other productive sectors in the economy are pervasive. Lower prices for telecommunications services and greater diversity in these services impact positively on the growth of other sectors including tourism, agriculture, manufacturing and other services including information and technology services.

4.8 Technology

The liberalization of the sector facilitated the introduction of advanced technologies in the region. Prior to the liberalization, the employed technology in telecommunication was a mixture of analog and digital systems (mainly analog). TDMA technology was widely used. With the advent of liberalization, GSM and GPRS technologies were introduced and now constitute the predominant systems. Short text messaging is also available and in use in the region at competitive rates. CDMA technology has not been introduced.

With respect to internet, dial-up technologies were largely replaced by X-DSL technologies.

There is a general move in the region to utilize broad band technology applications. In several countries cable TV is now utilizing the existing network to provide internet services. The regulatory apparatus is designed to be technology neutral hence no barriers exist for the development of broad band technologies. A broad band license has been developed. One remaining barrier is the bottle neck created with the submarine cable license which is still under monopoly provision.

4.9 Human Resources

Consequent to the liberalization process, several nationals of the region received specialized training in telecommunications service delivery and other ICT areas. Training programmes were sponsored by operators, governments and other institutions. With particular reference to the USAID/ECTEL Project training programmes were executed in the areas of pricing and tariffs, interconnection, website development, negotiations and dispute settlement. Six training workshops were completed with average attendance of 32 persons from the telecommunications regulatory regime in the ECTEL States.

In addition each of the NTRC was equipped with training materials included computers, projectors and hard and soft copy reference materials. In fact a total of over 400 volumes of books were procured and delivered to ECTEL and the NTRCs.

ECTEL and each of the NTRCs now have interlinked websites with facilities for networking and real time communication.

4.10 ICT

The telecommunications liberalization process has enabled the expansion of access to information and communication technology in rural areas, remote communities, schools and government. It has also facilitated the use of ICT in the development of the productive sectors, the social sectors and the financial sector. A prime example is the introduction of telemedicine and telemarketing in the region made possible through the introduction of the new telecommunications infrastructure. ICT also has an important role to play in the development of the agriculture and manufacturing sectors and to increase trade in goods and services in the region.

The challenge in ICT development is tied to the need to expand broadband capabilities in the region. The regions connectivity agenda requires the liberalization of the submarine cable infrastructure thus creating a platform for greater use of the fast moving data application and facilitate the process of technology convergence in the region with respect to computer technology, communications technology and broadcast technology

4.11 Quality of Services

Telecommunication liberalization in the ECTEL States promotes improved quality and greater diversity of telecommunication services. With the introduction of the regulatory regime special emphasis has been placed on quality of service. Qualities of service parameters consistent with international accepted standards have been codified and a penalty regime established for non-compliance. Improved service quality promotes efficiency in the productive sectors of the economy. Customer charters have been produced with improved response times.

4.12 Balance of Payments

Telecommunication liberalization activities facilitated improvement in the region's balance of payments. Apart from encouraging foreign direct investments as shown above, liberalization also promoted usage of local capital and stimulated domestic production and consumption. Several licenced operators especially for a range of class licences are local entrepreneur. In fact, joint venture relationships between local and foreign companies were encouraged and constitute part of the landscape. In addition, liberalization undoubtedly increased the level of access and the range of telecommunications services. Thus the region's capacity for call termination has been expanded. The data shows that there is a 6:1 ratio of incoming to outgoing voice traffic and a corresponding level of settlement payments for voice termination.

4.13 Fiscal Linkages

The telecommunication reform effort improved the fiscal position of the ECTEL States. As a consequence of liberalization, taxation receipts have improved. The process involved the rationalization of the taxation structure. A new structure of fees has been codified and this translates into new and additional taxation resources. The fall in telecommunication prices constitutes greater expenditure savings in the national budgets. The subsidy and concession regime has been rationalized. The blanket duty free concessions on import of telecommunication goods have been removed and replaced by a more progressive system.

4.14 Financial Linkages

Telecommunication liberalization calls for new and additional investments as the operators seek to compete to improve their bottom line. The financial and banking sector received a boost, as there was greater demand for resources. The operation of the financial sector itself was positively affected as new and improved and cheaper telecommunication services promoted greater use, efficiency and productivity of resources. As business activities are stimulated, the money velocity was increased and additional financial resources were demanded.

4.15 Other Considerations

To a large extent the liberalization of the telecommunications sector has reduced prices, facilitated investment and employment, provided greater diversity, improved quality of service and promoted macroeconomic growth and development in the ECTEL Participating States. As the liberalization process proceeds there is a great anticipation of greater tangible benefits.

Short term political and industrial instability was evident, as workers were displaced, service delivery rationalized and the incumbent operator attempted to increase the price of access by arguing for rate rebalancing. For example, the region was involved in a series of litigations with Cable and Wireless. The inevitable change occurring as a result of liberalization must be managed. Time is a critical factor, as the market will inevitably show signs of instability due to the changes underway. As liberalization proceeds in the OECS, there is a serious current, which seeks to undermine the process as many people debate the theory that liberalization, will not redound to greater benefits on the national and sub-regional levels.

Political forces motivated by interests not germane to the liberalization process have and will continue to undermine the liberalization effort. The integrity of the regulatory process is of supreme importance. There is a serious concern that the vision of a common space has been eroded by partisan political considerations.

The liberalization process also involves changes in status quo and cultural behaviour with respect to the use of telecommunication services. As services are priced to reflect usage

and entrenched subsidies removed, this will necessitate a rethinking on the part of the consumer, and possibly changes in attitudes and behaviour as to consumer interface with the new technologies and even the existing plain old voice services.

The liberalization of the sector encourages creativity in the region and promotes the culture for the creation of material for uploading onto the internet rather than simply downloading information. A greater sense of innovation is facilitated rather than imitation of posted material from outside the region. Also there is a greater tendency to adopt rather than adapt the new technologies and systems.

Telecommunication liberalization in the ECTEL States is consistent with the general trend occurring in the global economy. It is therefore reasonable to assume that initial socio-political and cultural opposition to the reform will subside in time.

Global trends in telecommunication see vast, profound and dynamic changes taking place. New products and services buoyed by development in information and communication technologies are being created and marketed on the global scene. Globalization trends as it relates to the movement of goods, services, people and removal of protective barriers indicate a sustained momentum to change. In fact telecommunications liberalization has facilitated the process of regional integration.

5.0 Conclusion

A few years have now passed since the beginning of the telecommunications reform effort in the ECTEL States. There is indeed a definite paradigm shift in telecommunications relations in the region. The state of play in 1998 has been charged in a significant way. Significant critical success factors have been noted and several of the original objectives of the liberalization effort have been realized.

Much remains to be done requiring a consented effort on the part of all stakeholders to be truly involved in the process; to keep the vision intact and to ensure progress towards achieving higher levels of connectivity in pursuit of the goal of social and economic development of the ECTEL Participating States in particular, and the OECS region in general.

Appendix 1

Employment and Investment in the Telecommunications Sectors of ECTEL Countries

Company	2001		2002		2003		2004	
	Employment	Investment EC\$ Millions	Employment	Investment EC\$ Millions	Employment	Investment EC\$Millions	Employment	Investment EC\$Millions
St. Lucia								
Cable & Wireless: Fixed, Internet	383	24.90	327	21.90	303	20.50	269	14.40
Cable & Wireless: Mobile	34	11.30	33	18.90	30	24.40	35	19.60
Cable & Wireless: Fixed, Mobile, Internet	417	36.20	360	40.80	333	44.90	304	35.00
Digicel: Cellular	0	0.00	20	0.00	80	61.70	90	14.60
AT&T: Cellular	0	0.00	15	0.00	28	25.90	32	8.10
All Operators	417	36.20	395	40.80	441	132.50	426	57.70
Grenada								
Cable & Wireless: Fixed, Cellular, Internet	267	19.80	203	24.20	167	10.20	152	21.20
GNP (yet to start): Fixed, Cellular, Internet	10	3.15	10	3.15	10	3.15	75	12.15
TWTC (yet to start): Fixed, Cellular					6	2.16	42	45.90
Digicel: Cellular	0	0.00	0	0.00	17	12.72	20	6.08
AT&T: Cellular	0	0.00	0	0.00	17	12.72	20	6.08
Blue Stream: Internet	6	0.10	13	0.02	11	0.05	11	0.11
Emerging Technologies (yet to start): Internet	0	0.00	0	0.00	0	0.00	0	0.00
All Operators	283	23.50	226	27.37	228	41.00	320	91.53
St. Vincent								
Cable & Wireless: Fixed & internet	218	9.90	158	14.10	119	5.80	119	15.40
Cable & Wireless : Mobile	5	10.90	3	0.00	3	0.48	3	19.60
Cable & Wireless: Fixed, Mobile & Internet	223	20.80	161	14.10	122	6.28	122	35.00
Digicel: Cellular	0	0.00	8	4.05	19	17.74	25	2.55
AT&T: Cellular	0	0.00	13		13	9.45	14	2.30
Kelcom: Internet								
All Operators	446	41.60	343	32.25	276	39.75	283	74.85
Dominica								
Cable & Wireless: Fixed, Cellular, Internet	168	7.63	146	13.03	127	6.19	127	16.44
Marpin: Fixed, Internet	120	1.80	105	0.92	103	0.78	107	3.00
Sat Telecoms: (yet to start): Fixed, Internet	18	2.00	28	2.20	35	2.80	61	5.00
AT&T: (yet to start): Cellular	0	0.00	0	0.00	14	14.74	14	2.17
Orange Caraibes: (yet to start): Fixed, Cellular	0	0.00	0	0.00	0	0.00	60	27.93
All Operators	306	11.43	279	16.15	279	24.51	369	54.54

St. Kitts								
Cable & Wireless: Fixed, Cellular, Internet The Cable: Internet, Fixed (yet to start) Cariglobe: (yet to start): Cellular All Operators	163	16.38	150	11.08	140	3.14	140	7.00
	163	16.38	150	11.08	140	3.14	140	7.00
ECTEL								
Cable and Wireless	1238	100.81	1020	103.21	899	70.70	845	114.64
All Operators, including Cable & Wireless	1615	128.66	1393	127.65	1364	240.90	1538	285.62
All Operators, less Cable & Wireless	377	27.85	373	24.44	475	170.19	693	170.98

Source: ECTEL

Appendix II

Existing Rate Structure					
Service					
	Dominica	Grenada	St. Kitts	St. Lucia	St. Vincent
Line Rental Per Month					
Business	\$48.00	\$48.00	\$48.00	\$48.00	\$40.00
Residential	\$24.00	\$26.40	\$26.40	\$26.40	\$20.40
Grenada Flat Rate					
Business		\$126.00			
Residential		\$ 54.00			
Domestic Calls Per Month					
Daytime	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09
Evening	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08
Weekend	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06
Fixed to Mobile	\$0.72	\$0.72	\$0.72	\$0.72	\$0.72
Installation	\$150.00	\$230.00	\$200.00	\$125.00	\$100.00
Reconnection	\$20.00	\$20.00	\$70.95	\$30.00	\$30.00

Source: ECTEL